By: Van de Putte S.B. No. 1542

## A BILL TO BE ENTITLED

Τ	AN ACT
2	relating to clinical initiatives to improve the quality of care and
3	cost-effectiveness of the Medicaid program.
4	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
5	SECTION 1. Subtitle I, Title 4, Government Code, is amended
6	by adding Chapter 538 to read as follows:
7	CHAPTER 538. MEDICAID CLINICAL INITIATIVES QUALITY
8	IMPROVEMENT PROCESS
9	SUBCHAPTER A. GENERAL PROVISIONS
10	Sec. 538.001. DEFINITION. In this chapter, "Medicaid
11	program" means the medical assistance program established under
12	Chapter 32, Human Resources Code.
13	Sec. 538.002. EFFECT OF CHAPTER; AUTHORITY OF COMMISSION.
14	This chapter does not affect or give the commission additional
15	authority to:
16	(1) affect any individual health care treatment
17	decision for a Medicaid recipient; or
18	(2) replace or affect the process of determining
19	Medicaid benefits or any applicable approval process required for
20	reimbursement under the Medicaid program.
21	Sec. 538.003. RULES. The executive commissioner shall
22	adopt rules necessary to implement this chapter.

1	SUBCHAPTER B. MEDICAID QUALITY IMPROVEMENT PROCESS TO ASSESS
2	CERTAIN CLINICAL INITIATIVES
3	Sec. 538.051. MEDICAID QUALITY IMPROVEMENT PROCESS. The
4	commission shall, according to the provisions of this chapter,
5	develop and implement a quality improvement process by which the
6	<pre>commission:</pre>
7	(1) receives suggestions for clinical initiatives
8	designed to improve:
9	(A) the quality of care provided under the
10	Medicaid program; and
11	(B) the cost-effectiveness of the Medicaid
12	program; and
13	(2) conducts an analysis of each clinical initiative
14	suggestion received under Section 538.052.
15	Sec. 538.052. SOLICITATION OF SUGGESTIONS FOR CLINICAL
16	INITIATIVES. (a) Subject to Subsection (b), the commission shall
17	solicit and accept suggestions for clinical initiatives, in either
18	written or electronic form, from:
19	(1) a member of the state legislature or a holder of an
20	office of state government that is voted on statewide;
21	(2) the executive commissioner;
22	(3) the commissioner of the Department of Aging and
23	Disability Services;
24	(4) the commissioner of the Department of State Health
25	Services;
26	(5) the commissioner of the Department of Family and
27	Protective Services;

(6) the commissioner of the Department of Assistive 1 2 and Rehabilitative Services; 3 (7) the medical care advisory committee established 4 under Section 32.022, Human Resources Code; 5 (8) the physician payment advisory committee created 6 under Section 32.022(d), Human Resources Code; and 7 (9) the Electronic Health Information Exchange System 8 Advisory Committee established under Section 531.904. 9 (b) The commission may not accept suggestions under this section for an initiative that: 10 (1) is undergoing clinical trials; and 11 12 (2) expands a health care provider's scope of practice beyond the law governing the provider's practice. 13 Sec. 538.0521. REQUIRED CLINICAL INITIATIVES. (a) 14 15 addition to the clinical initiatives suggested under Section 538.052, the commission shall conduct an analysis and issue a final 16 17 report in accordance with the requirements of this chapter for the following: 18 (1) an initiative that would require hospitals to 19 implement evidence-based protocols, including early goal-directed 20 21 therapy, in the treatment of severe sepsis and septicemia; and 22 (2) an initiative that would authorize the Medicaid program to provide blood-based allergy testing for patients with 23 24 persistent asthma to develop an appropriate treatment strategy that would minimize exposure to allergy-induced asthma attacks. 25 26 This section expires August 31, 2014.

Sec. 538.053. CLINICAL INITIATIVE EVALUATION PROCESS.

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- 1 commission shall establish and implement an evaluation process for
- 2 the submission, analysis, and approval of a clinical initiative.
- 3 The process must:
- 4 (1) require that a suggestion for a clinical
- 5 initiative be submitted to the state Medicaid director;
- 6 (2) require that a suggestion for a clinical
- 7 <u>initiative be published on the Internet website created under</u>
- 8 Section 538.056 not later than the 30th day after the date on which
- 9 the state Medicaid director receives the suggestion;
- 10 (3) provide for a formal public comment period that
- 11 lasts at least 30 days during which the public may submit comments
- 12 and research relating to a suggested clinical initiative;
- 13 (4) require commission employees to perform an
- 14 analysis of each suggested clinical initiative in accordance with
- 15 <u>Section 538.054; and</u>
- 16 (5) require the development and publication of a final
- 17 report in accordance with Section 538.055 on each suggested
- 18 clinical initiative not later than the 180th day after the date on
- 19 which the state Medicaid director receives the suggestion.
- Sec. 538.054. ANALYSIS OF CLINICAL INITIATIVES. The
- 21 commission shall conduct an analysis of each clinical initiative
- 22 required or submitted to the state Medicaid director under this
- 23 chapter. The analysis required under this section must include a
- 24 review of:
- 25 (1) any public comments and submitted research
- 26 relating to the initiative;
- 27 (2) the available clinical research and historical

1	utilization information relating to the initiative;
2	(3) published medical literature relating to the
3	initiative;
4	(4) any adoption of the initiative by medical
5	societies or other clinical groups;
6	(5) whether the initiative has been implemented under:
7	(A) the Medicare program;
8	(B) another state medical assistance program; or
9	(C) a state-operated health care program,
10	including the child health plan program established under Chapter
11	62, Health and Safety Code;
12	(6) the results of reports, research, pilot programs,
13	or clinical studies relating to the initiative conducted by:
14	(A) institutions of higher education, including
15	related medical schools;
16	(B) governmental entities and agencies; and
17	(C) private and nonprofit think tanks and
18	research groups;
19	(7) the impact that the initiative would have on the
20	Medicaid program if implemented in this state, including:
21	(A) an estimate of the number of recipients under
22	the Medicaid program that would be impacted by implementation of
23	the initiative; and
24	(B) a description of any potential cost savings
25	to the state that would result from implementation of the
26	initiative; and
27	(8) any statutory barriers to implementation of the

1 initiative. 2 Sec. 538.055. FINAL REPORT ON CLINICAL INITIATIVE. The 3 commission shall prepare a final report based on the commission's analysis of a clinical initiative under Section 538.054. The final 4 5 report must include: 6 (1) <u>a final determination of:</u> 7 (A) the feasibility of implementing the 8 initiative; (B) the likely impact implementing 9 initiative would have on the quality of care provided under the 10 Medicaid program; and 11 12 (C) the anticipated cost savings to the state that would result from implementing the initiative; 13 14 (2) a summary of the public comments, including a 15 description of any opposition to the initiative; 16 (3) an identification of any statutory barriers to 17 implementation of the initiative; and (4) if the initiative is not implemented, an 18 19 explanation of the decision not to implement the initiative. Sec. 538.056. INTERNET WEBSITE. The commission shall 20 maintain an Internet website related to the quality improvement 21 process required under this chapter. The website must include: 22 (1) an explanation of the process for submission, 23 24 analysis, and approval of clinical initiatives under this chapter; 25 (2) an explanation of how members of the public may 26 submit comments or research related to an initiative;

(3) a copy of each initiative suggested;

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- 1 (4) the status of each initiative in the approval
- 2 process; and
- 3 (5) a copy of each final report prepared under this
- 4 chapter.
- 5 Sec. 538.057. ACTION ON CLINICAL INITIATIVE BY COMMISSION.
- 6 After the commission conducts an analysis of a clinical initiative
- 7 under Section 538.054:
- 8 <u>(1) if the commission has determined that the</u>
- 9 initiative is cost-effective and will improve the quality of care
- 10 under the Medicaid program, the commission shall:
- 11 (A) implement the initiative if implementation
- 12 of the initiative is not otherwise prohibited by law; or
- 13 <u>(B) if implementation requires a change in law,</u>
- 14 submit a copy of the final report together with recommendations
- 15 relating to the initiative's implementation to the standing
- 16 committees of the senate and house of representatives having
- 17 jurisdiction over the Medicaid program; and
- 18 (2) if the commission has determined that the
- 19 initiative is not cost-effective or will not improve quality of
- 20 care under the Medicaid program, the commission may not implement
- 21 the initiative.
- SECTION 2. Not later than January 1, 2014, the Health and
- 23 Human Services Commission shall conduct an analysis and submit a
- 24 final report on the clinical initiatives required under Section
- 25 538.0521, Government Code, as added by this Act.
- SECTION 3. If before implementing any provision of this Act
- 27 a state agency determines that a waiver or authorization from a

S.B. No. 1542

- 1 federal agency is necessary for implementation of that provision,
- 2 the agency affected by the provision shall request the waiver or
- 3 authorization and may delay implementing that provision until the
- 4 waiver or authorization is granted.
- 5 SECTION 4. This Act takes effect immediately if it receives
- 6 a vote of two-thirds of all the members elected to each house, as
- 7 provided by Section 39, Article III, Texas Constitution. If this
- 8 Act does not receive the vote necessary for immediate effect, this
- 9 Act takes effect September 1, 2013.